

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814
(916) 323-0268



September 4, 1981

ALL-COUNTY LETTER NO. 81-97

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: FNS-209 (STATUS OF CLAIMS AGAINST HOUSEHOLDS) REPORTING SYSTEM

REFERENCE:

The purpose of this letter is to provide further instruction on the new FNS-209 (Status of Claims Against Households) Reporting System.

As indicated by All County Information Notice I-81-80, we are in the process of implementing a new FNS-209 Reporting System. The purpose of the new system is to comply with federal regulations published in the January 31, 1980 Federal Register (7 CFR 272-273). Beginning the October 1981 report month, we are requesting that counties perform the following:

1. Discontinue sending the FNS-209 report to FNS and submit the original FNS-209 report directly to:

California Department of Social Services
Fiscal Policy and Procedures Bureau
744 P Street
Mail Station 8-100
Sacramento, California 95814

2. Continue retaining all fraud and nonfraud collections in a secure, separate identifiable account.

Under the new system, counties will no longer transfer fraud and nonfraud collection to FNS by warrant. In lieu of transfer, counties are to retain all fraud and nonfraud collections. SDSS will recover county collections through an offset against county advances. All such offsets will be reflected in the Statement of Cash Advances (AA 190). The amount of quarterly offset will be determined by the data reported on FNS-209 report which is submitted to this Department. SDSS will then transfer collections to FNS through an adjustment to California's Letter of Credit.

GEN 654 (9/79)



It has been brought to our attention that some counties have been retaining collections before the July 1981 report month date indicated by All County Information Notice I-81-80. In order that the offsets against county advances are initiated during the same period, we are requesting that these counties submit warrants to the Food and Nutrition Service (FNS) for all amounts collected before July 1, 1981 which have not been previously remitted.

As several counties are aware, the above-cited FNS regulations specify that, upon approval of a state accounting plan by FNS states may retain 50 percent of all Food Stamp Program fraud collections. As a result, SDSS has sponsored legislation (SB 685) which would authorize the counties to retain 25 percent of the fraud collections. If SB 685 is enacted, beginning the effective date of the bill (January 1, 1982), county claims would be adjusted to reflect the allowed retention.

We would like to stress the importance of accurate and timely submittal of the FNS-209 reports. Any county that is experiencing difficulty in preparing and/or submitting the FNS-209 reports is encouraged to contact SDSS for assistance. Any questions or requests for assistance regarding FNS-209 reporting or offsets should be addressed to Mr. Leighton Lai at (916) 445-7046.



CLAUDE E. FINN

En Deputy Director
Administration

cc: CWDA